

## Court blocks verification of South Sudan traders



Justice Musa Sekaana presiding over a court session at the High Court, Civil Division in Kampala on 31<sup>st</sup> July 2019. © CSBAG 2019

The High Court has issued an interim order to restrain the Attorney General as well as the Permanent Secretary and Secretary to the Treasury (PS/ST) from carrying out any verification exercise of Ugandan traders claiming compensation after making losses in South Sudan.

Through their legal representatives, Ugandan traders who supplied goods to the South Sudan Government before the latter's civil conflict in 2013 requested the Civil Division of the High Court to halt the ongoing verification exercise by Ernest and Young, to confirm genuine traders to be paid by Government.

On 26<sup>th</sup> July 2019, the High Court served summons to both the Attorney General and the Ministry of Finance, Planning, and Economic Development after traders petitioned the High Court seeking to block the ongoing verification exercise.

Presiding over the court session on 31<sup>st</sup> July 2019, Justice Musa Sekaana issued an interim order to put the verification exercise on hold, until the hearing of the traders' court application takes place.

According to the traders, the Ministry issued a press statement on 8<sup>th</sup> July 2019 stating that Government had contracted Ernest and Young, an audit firm, to conduct a fresh independent verification exercise of Ugandan traders who supplied goods and services to South Sudan.

Earlier this year, Keith Muhakanizi, the PS/ST halted the compensation process of 10 companies calling for an independent verification exercise. According to Muhakanizi, all Ugandans who supplied services and goods to the South Sudan Government are required to submit their claims and supporting documents to the Ministry of Finance so as to ascertain that their claims are genuine. According to Muhakanizi, so far, 77 traders have submitted their documents for verification.

### **CSO concerns**

The Civil Society Budget Advocacy Group (CSBAG) welcomes the interim order issued by the Civil Division of the High Court as it will give an opportunity of fair hearing for both the traders and Government. CSBAG also believes that this will be a way to deal with the irregularities and controversies in the compensation process. Considering that the compensation is to be drawn from the consolidated fund, the CSO stand is that Section 11 (2) (c) of the Public Finance Management Act (PFMA) 2015 which promotes and enforces transparent, efficient, and effective management of the revenue and expenditure and the assets and liabilities of votes, must be adhered to.